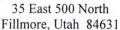


United States Department of the Interior

BUREAU OF LAND MANAGEMENT FILLMORE FIELD OFFICE





In Reply Refer to: 3809 (UT-010) UTU 079873

September 26, 2006

CERTIFIED MAIL #7002 3150 0004 1699 4834 RETURN RECEIPT REQUESTED

CHARLES H. MERCHANT, SR. 3189 COVNEY RD 10 HEFLIN, AL 36264

Dear Mr. Merchant:

On September 14, 2006 the Fillmore Field Office (FFO) of the Bureau of Land Management (BLM) received a copy of your Notice of Exploration on the Utah Division of Oil, Gas, and Mining (DOGM), Notice of Intention to Conduct Exploration form. This operation has been assigned BLM serial number UTU-079873, please use this number to refer to the project from now on.

We have received the GIS data on the ten project locations. According to the map, project locations 2, 4, 9, and 10 are located on BLM administered lands and all others are located on state land.

At this time FFO BLM resource specialists are analyzing the project for potential impacts. The purpose of this letter is to inform you that this process will require additional time in excess of fifteen days. Once the specialist review of the proposed project is complete we will contact you.

If you have any questions or concerns please contact me at (435) 743-3124.

RECEIVED

NOV 0 6 2006

DIV. OF OIL, GAS & MINING

Sincerely,

Matt Raiala

Natural Resource Specialist

cc: UDOGM (S/027/084)